

Copy for Comparison with
original claims filed 9/4/02

Original
Application
Claim 18..

I CLAIM:

1.. Electronic Commerce System for procuring goods/services by a number of users within an organization, from a number of vendors, comprising:



- (a) one page electronic purchasing document which replaces individual paper and electronic purchase requisitions, purchase orders and vendors' acknowledgements, shipping notices, invoices, and statements; and successively serves their identical functions, traveling electronically between participants of the system, and
- (b) an electronic purchaser's system to introduce each One Page document to the system of serving these purchasing functions, progressively moving the document to the participants, following each step to recognize actions completed, verifications completed, actions needed, and sending the document to the next action location, coupled with a time schedule for each action, and a follow up system;
- (c) a One Page template worksheet selected by the purchase originator when securing and preparing the One Page document, to disclose justification of the purchase, possible backup data, and in the case of contract orders, information on contract dates, purchases to date and past performance;
- (d) a purchaser's payment system activated by the operation of the One Page document, arranging payment to the vendor's bank, without individual participation;
- (e) exclusive rights in the use of the forms contained herein, referred to as template forms, and to any other forms associated with the One Page document; and
- (f) use of a plurality of terminals, work stations, servers, Intranet and Internet programs operating with "off the shelf" software systems chosen from selections current at the time of installing the One Page System, compatible with retained legacy systems, necessary to operate the One Page System.

Note A

Note 13

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2 System as defined in claim 1, wherein a One Page document used to perform the functions of the system, is selected from a choice of three forms of purchasing and provides for all the needs of the different participants, when prepared by the originator 2

3. System as defined in claim 1., wherein during the progression of the One Page document through its functional steps, any changes found necessary will require the action of the originator, which is first processed, by the finder, through removing the dots shown for the present and previous action, thereby producing a template form, "Action Change Request", to secure explanations why changes are necessary, then, to be returned back into the system, in reverse sequence, for necessary action by the order originator; 3

4 . System as defined in claim 1, wherein the vendor acknowledges the order by inserting the vendor's invoice number in the One Page document, and Emailing it back to the purchaser's System, thereby avoiding any problems of the vendor not having a compatible electronic signature system 4

5. System as defined in claim 1, wherein electronic signatures are required of purchaser's participating employees to acknowledge their actions completed. and will be thus shown to ease verification of the entire One Page document and assist the auditing functions 5

; 6. System as defined in claim 1, wherein the total amount of the One Page document, including taxes, handling charges, etc. will be established at the outset, when the document is prepared, thereby having the correct amount for authorization approval vendor acceptance, and payment advice to the paying bank, without the usual need for a vendor's invoice, before arranging payment. 6, 8

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7. System as defined in claim 1 requires the purchaser to prearrange terms of payment with the vendor, which is scheduled into the system, thereby permitting the purchaser to adjust payments to fit its cash flow needs, and without this the vendor would have no basis for being paid.

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8. System as defined in claim 1, wherein the vendor attaches a bar code label to the outside of the order shipped, displaying the purchase document and invoice numbers, which will be used by the receiver to identify the One Page document for verification of receipt, thereby eliminating the usual shipping document.

Note C

9. System as defined in claim 1, permits a member of the purchaser's receiving department to use a hand held computer to reveal the items listed on the One Page document, clicking in the space provided to confirm receipt and when the order is completely checked, the member's electronic signature will be accepted by the system, ready for the originator's signature of acceptance, thereby using the original One Page form to avoid any mistakes in identification of the order content.

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10. System as defined in claim 1 contains a section in the One Page document for the originator to enter the accounts to be charged for the items purchased, which is entered into the system to be held in suspense until the item is received as acknowledged, and charged to that account(s) with an accounts payable entry..

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11. System as defined in claim 1 permits the vendor to put a "stop" on the preparation and processing of their documents replaced by the system but continuing the use of the invoice number as identified with the One Page document, thereby saving substantial work and cost for the vendor.

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12. System as defined in claim 1, provides a Purchase Worksheet choice for either fixed assets or expenses applicable to larger purchases which justify the purchase and provides information on use of items replaced, depreciation reserves, writeoffs,, other purchases required, etc., with this worksheet made an addition to the One Page for internal use and fitted into a program for "other purchase actions", along with its use for auditing the One Page System. 11

13. System as defined in claim 1. wherein the initiation of an order requires use of a template form "Purchase Menu", secured on the originator's monitor by pressing an assigned "Purchase" key on the keyboard, which lists a choice of information and action links, including company purchasing policies, procedures, worksheet,,order form, vendor and product sources, orders outstanding, previous orders, accounts to be charged, etc., thereby accessing the necessary information to complete the purchase worksheet when required and the data to be inserted in the One Page form, with the major sources for these data being established by the purchasing department. Note D

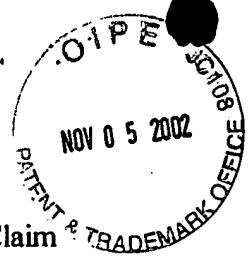
14. System as defined in claim 1, wherein seventeen different management reports are identified to assist and control the purchasing functions at the several actions points. 14

Note A - Special reference to emphasize forms as part of the patent privilege.

B -Special reference to future selections of'off the shelf' software systems.

C -Use of automatic system for goods received.

D—Establish significance of front end portion of the system.



original
INVENTOR'S CLAIMS Filed 9/14/01

Replace

Replaced By

The Basic Claim

1. An electronic computer system to be adopted by the purchaser, vendor and bank, introducing a one page business document which travels electronically to and between participants in ordering, purchasing, shipping, receiving and paying for merchandise secured by a purchasing organization from a vendor, and paying to the vendor's bank. The system eliminates conventional purchase requisitions, purchase orders, order confirmations, invoices, vendor's statements, and payment checks, through an electronic action controlled step program.

1, 1(a)
1(b)

Supporting Claims

2. The document contains all the necessary data for directing and supporting these actions through a control system, thereby providing quick reference for all participants, and use in auditing the purchasing transactions.
3. An electronic control system serves to schedule the delivery of the merchandise on the basis of the requested delivery date, allowing time for delivery, and providing a supporting system for timing and content problems to be solved through an electronic Action Change Request, coupled with an open tracking system which continually follows the timing and completion of the several action steps, for possible awareness of delays and the need for corrective action.
4. Although the vendor's invoices are eliminated in the system, the vendors would continue to control shipments with "invoice" numbers relating to the purchaser's order documents. This number would be inserted in the purchaser's document by the vendor, to enter the system and would recognize the vendor's acceptance of the purchase contract, as noted on the bottom of the order form. Thus, at this point, the document also takes on the form of an invoice. Possibly the vendor might use an electronic signature to also approve the order, as provided in the document, if convenient for the vendor.
5. Approvals by the purchaser's participants in the system are identified by electronic signatures.
6. The usual control of billing by the vendor for the items shipped, is replaced by the purchaser paying the vendor only for the acceptable items received, and confirming the identification of the related vendor's invoice numbers being paid, to the vendor.
7. The shift in control provides the purchaser an opportunity to arrange a 30 day payment schedule with each vendor to balance all the vendors' payments to fit into the purchaser's cash flow position.
8. Through each document being programmed to show the exact amount to be paid the

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vendor for the 30 day period, this is in the computer payment system and the computer instructs the purchaser's bank to send this amount to the vendor's bank, as scheduled, without any individual's participation, except as an audit and security measure..

9. Although the system is basically designed for an in house installation, the purchasing organization could outsource any or all of the program to other organizations. *Cancel*

10. Worksheets are made part of the system to justify the purchase of significant items and provide possible backup data. It travels with the document prior to approving the order to the vendor. It is held in suspense until the payment is made, when it is combined with the document, in the stored data banks for fixed assets, inventories, and expenses, available for reference and auditing. *(C)*

11. A worksheet is available for contract orders, or frequent large orders from specific companies to keep track of the orders to date, performance of vendor, contract dates, etc. This can be used in anticipation of a new order, or for a periodic review, and when renewing contracts.. Data would be brought up to date upon receipt of each order. *(C)*

12. A section is provided on the document to show the account (s) to be charged for the items purchased, which is entered into the system when preparing the document and held in suspense until the items are received, as acknowledged, and an accounts payable is set up.. *10*

13. The system lends itself to easily make the necessary accounting entries electronically, using the amounts, process steps and data available on the document. *Cancel*

14. A list of 17 different management control reports is offered as possible assists in the management of the purchasing functions – to be used at different time schedules. *14*

15. The vendor, in benefiting from the program, would put a "stop" on the printing, handling and mailing of the purchase confirmation, invoice, statement, and shipping document normally sent the purchaser. Vendor would just insert an invoice number in the purchase document, followed by clicking the next action circle, returning it to the purchaser's system. Vendor would prepare a shipping label to place on the shipment showing address, with document and invoice numbers. At first contact with the purchaser, vendor would provide wire payment instructions to send the payment directly to vendor's bank. Vendor can use purchaser's document to transfer order data to their own records. *{ 11 } 8 Cancel*

16. The purchaser's bank, in benefiting from the program, would have a direct line with the Purchaser to supplement the bank's system for handling wire transfers to vendors. Working on a daily batch basis, the purchaser's system wires the bank a cash transfer authorization for the bank's payment account to process all the payments to be made by wire that day – on an imprest basis, with a listing and wire directions for making vendor payments. At the end of the day, the bank wires the purchaser's system a reconciliation with an electronic signature confirming that all payments were sent, and any exceptions. *Cancel*

Replace

The treasurer's control system would check this reconciliation and alarm the personnel of any action needed. A fixed cash balance would be on deposit to support this service, or a per transaction fee would be paid.

Harold F. Hynes